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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of)

Toll Free Service)
Access Codes)

CC Docket No. 95-155

COMMENTS OF AT&T CORP.

Pursuant to the Commission's Further Notice of Proposed Rulemaking,¹ and Section 1.415 of the Commission's Rules, 47 C.F.R. § 1.415, AT&T Corp. ("AT&T") submits these comments on the Commission's questions concerning the future administration of the toll free number database, in light of the passage of the Telecommunications Act of 1996 ("Act").² In particular, the Commission seeks "comment on what entity would be an appropriate toll free database administrator, given that the Act opens all telecommunications markets to competition, and the current administrator is owned by Bellcore, which is presently owned by the RBOCs, a discrete industry segment."³ In addition, it asks a series of

¹ Toll Free Access Codes, CC Docket No. 95-155, Second Report and Order and Further Notice of Proposed Rulemaking, FCC 97-123, released April 11, 1997 ("Second Report and Order" and "Further Notice," respectively).

² Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, to be codified at 47 U.S.C. § 151 et seq.

³ Further Notice, ¶ 101.

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questions related to transitioning Bellcore's functions to a new administrator.

AT&T strongly believes that equitable administration of numbering resources will help ensure the continued introduction of competitively offered, innovative new services and supports the Commission's finding in a separate proceeding that "[number] administration . . . should not unduly favor or disadvantage any particular industry segment or group of customers."⁴ For this reason, it is imperative that impartial and neutral entities administer all numbering resources, including toll free databases.

Any administrator that is affiliated or in a contractual relationship with Bellcore or the RBOCs would inevitably be exposed to unacceptable conflicts of interest, because of the increasingly competitive activities among the RBOCs and the carriers that utilize SMS.⁵ Although, given

⁴ Administration of the North American Numbering Plan, CC Docket No. 92-237, Report and Order, 11 FCC Rcd. 2588, 2595-96 (¶ 15) (1995); see also Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, Second Report and Order, FCC 96-333, released August 8, 1996, ¶¶ 264-66.

⁵ To implement 800 number portability, the Regional Bell Operating Companies ("RBOCs") developed a database plan for 800 access. The database plan required the local exchange carriers ("LECs") to have SS7 technology and also a new administrative database known as the Service Management System ("SMS"). The SMS is a computer system that allows RespOrgs to enter the data about 800 numbers under their control, and it then loads this information into regional LEC databases or service control points ("SCPs"). The SMS database is administered by Database

its current ties to the RBOCs, DSMI's continuation as the toll free administrator, pending the sale of Bellcore, is inconsistent with Section 251(e) of the Act,⁶ there are other considerations, in AT&T's view, that militate against making any immediate changes.

Once the RBOCs divest Bellcore, it would appear that DSMI would qualify as a neutral third party and could continue as the toll free administrator. At the same time, the fact that DSMI would qualify as the administrator does not mean that others should not be permitted to do so. Ultimately, the 800 SMS database administrator should be selected through competitive bidding, using a process similar to that used to select the North American Numbering

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Service Management, Inc. ("DSMI"), a subsidiary of Bellcore, which is owned by the RBOCs. DSMI subcontracts management of the Number Administration and Service Center ("NASC"), which provides user support for the database, to Lockheed IMS. Southwestern Bell provides the database hardware under contract. Further Notice, ¶¶ 5-8. Indeed, the Commission recognized the importance of SMS and NASC functions in Provision of Access for 800 Service, 8 FCC Rcd. 1423, 1426-27 (¶¶ 27-30) (1993), finding that the BOCs and Bellcore should be divorced from the daily administration of SMS and ordered NASC responsibilities to be subcontracted to a neutral third party. The subcontract to Lockheed resulted from that Order.

⁶ Further Notice, ¶ 101. Section 251(e) of the Act provides, in relevant part, that "The Commission shall create or designate one or more impartial entities to administer telecommunications numbering and to make such numbers available on an equitable basis. The Commission shall have exclusive jurisdiction over those portions of the North American Numbering Plan that pertain to the United States."

Plan Administrator ("NANPA") and the Local Number Portability Administrators ("LNPAs").

Despite DSMI's present RBOC affiliation, the host of other crucial number administration tasks facing the industry, including setting up the seven regional databases for local number portability, counsels against opening up the 800 SMS database administration issue at this time. This is particularly so given that the 800 SMS database administration is currently functioning in a problem-free manner, and AT&T knows of no instances of discriminatory conduct by DSMI in favor of its affiliated RBOCS.

Accordingly, AT&T would suggest that there is no imminent need to displace DSMI as the current 800 database administrator, assuming Bellcore is divested by year-end 1997 as planned.⁷ Nonetheless, the Commission should charge an industry committee, such as the North American Numbering Council ("NANC"), with determining the procedures that in the long-term will be used to select a follow-on administrator.⁸

⁷ Further Notice, ¶ 8.

⁸ The NANC was established by the Commission to make recommendations to the Commission, develop policy, and initially resolve disputes, as well as to select and guide the new NANPA. AT&T believes that the NANC should also consider toll free database administration. In response to the inquiry in the Further Notice (¶ 103) as to what role, if any, the NANC should have in determining what entity should assume the responsibility of toll free number administration, AT&T believes that NANC's role should be advisory only. For example, if the LNPA limited liability corporation ("LLC") approach to toll

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In all events, the duties of the 800 SMS database administrator should not be meshed with the NANPA or the LNPAs, although a single qualified vendor could assume each of those separate and distinct administrative functions.⁹ The SMS 800 database administrator should be distinct from other numbering administrators because toll free services involve unique routing requirements and systems. Therefore, the database administrator's skills require facility with technical functions and capabilities that do not apply to other services. In addition, toll free numbers are governed by a unique set of administrative rules (which the Commission just revised in its Second Report and Order in this docket) that do not apply to other services. Moreover, unlike other number portability databases, the 800 SMS database has been operational for years, whereas these other systems are yet to be implemented.

Assuming DSMI continues as the interim administrator, it should continue to operate under a tariff.¹⁰ First, continuing in a tariffed, common carrier mode of business would avoid disruption of established operating procedures pending the selection of a permanent

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free database number administration were selected, the LLC would select the new toll free administrator, subject to FCC approval.

⁹ Further Notice, ¶ 103.

¹⁰ Further Notice, ¶ 104.

administrator. Second, as the Commission found, SMS access as currently offered is a Title II common carrier service that should be offered pursuant to tariff, because it is absolutely necessary and hence "incidental" to 800 access service using the database system within the meaning of section 3(a) of the Communications Act.¹¹ In addition, the Commission correctly concluded that the better course at present is to treat SMS access as a common carrier service under section 3(h) of the Act in light of the importance of ensuring that SMS access is provided at reasonable rates and on nondiscriminatory terms.¹² These same considerations remain compelling today, certainly at least pending selection of a permanent administrator and negotiation of appropriate contractual terms.

The SMS and the NASC are monopoly services that constitute the primary operations support systems that service providers require in order to provide toll free services. Any transition of functions from DSMI to a third party should be accomplished in a manner that minimizes the risk of compromising the integrity of SMS and the NASC. To achieve this result, Bellcore should be required to license, at commercially reasonable rates, to any new third party administrator the software that is required to continue

¹¹ Provision of Access for 800 Service, 8 FCC Rcd. at 1426 (¶¶ 25-27).

¹² Id., 8 FCC Rcd. at 1426-27 (¶¶ 28-29).

operation of SMS and the NASC. At a minimum, Bellcore should be required to make available the specifications for the SMS 800 database. This would permit competitive bidders to respond to those specifications.

If a new administrator is selected in the future, it is critical that the administrative data residing in the database at the time of such transfer be transferred intact to the new administrator, with the transfer contingent upon an obligation to similarly transfer such content to any successor administrator. The integrity of the 800 numbering system and the day-to-day provisioning and maintenance of 800 services depend upon the preservation and uninterrupted availability of the current database. Moreover, the transfer of the administrative content is required because the administrator does not own the database content. That content -- the information about the numbers used by individual RespOrgs' customers -- actually belongs to the industry members who supplied the information.

With respect to the other issues addressed in the Further Notice (§ 106), the 800 SMS administrator should provide reports to the Commission, as required to implement the new rules (Second Report and Order, § 29). Although the database administrator should be a neutral third party, it could subcontract work to entities that are not neutral, consistent with the local number portability/limited liability corporation model. As previously noted, competitive bidding should be used for the selection of a

new toll free administrator. Costs for database administration should be passed through to the industry, as they are today through user fees.¹³ The cost causers (i.e., those RespOrgs that use and have access to the database) are the appropriate parties to absorb these expenses.

Other than to track and warn of usage problems as required by the rules the Commission just adopted in the Second Report and Order, the toll free administrator should not be responsible for toll free number planning. Planning for toll free numbers, including new service access codes, is a NANPA function.

¹³ The fees related to loading information into the database and obtaining reports from the database should be paid for by the RespOrgs that use the database. Download fees should be paid by the RBOCs as the SCP holders or any other carrier routing SCP calls. Carriers routing 800 calls then pay 800 query charges for obtaining the necessary routing information.

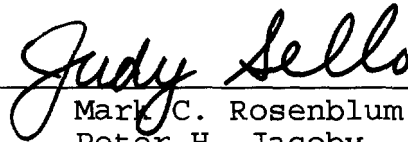
CONCLUSION

In sum, the Commission should promote the efficient, fair and neutral administration of toll free numbers as suggested herein.

Respectfully submitted,

AT&T CORP.

By

A handwritten signature in cursive script that reads "Judy Sello". The signature is written over a horizontal line.

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